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**Pipeline and  
Hazardous Materials Safety  
Administration**

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## NOTICE OF AMENDMENT

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 22, 2006

Mr. Dan Meredith  
Director, Safety and Engineering  
Cascade Natural Gas Company  
222 Fairview Avenue North  
Seattle, WA 98124

CPF No. 5-2006-1004M

Dear Mr. Meredith:

On June 21 -24, 2005, representatives of the Washington Utilities and Transportation Commission (WUTC) acting as an agent, for the U.S. Department of Transportation's Pipeline & Hazardous Material Safety Administration (PHMSA) pursuant to Section 60106(a) of Title 49, United States Code, conducted an onsite pipeline safety inspection of your Kelso-Beaver (KB) pipeline facilities in Washington State. Operation and Maintenance Procedures and supporting records were reviewed at your Seattle and Longview offices.

As a result of the inspection, it appears that you have inadequate procedures as required by Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR) Part 192. At the time of inspection, Cascade Natural Gas Company (CNG) did not have written procedures in its Operations, Maintenance, and Emergencies manual that completely satisfy the requirements of the following sections of 49 CFR Part 192:

1. **192.15(b) - Requires a procedure in the operator's procedures manual addressing the requirement to submit a supplemental 30 day report where necessary.**

CNG did not have an adequate procedure to address this requirement.

2. **192.605(a) - Requires the operator's procedure manual to be reviewed and updated every 15 months.**

CNG did not have an adequate procedure to address this requirement.

3. **192.605(b)(3) - Requires the operators procedure manual to have procedures for making construction records, maps and operating history available to appropriate operating personnel.**

CNG did not have adequate procedures to address this requirement.

4. **192.605(b) (8) - Requires the operator's procedure manual to have procedures for periodically reviewing the work done by operating personnel.**

CNG did not have adequate procedures to address this requirement.

5. **192.605(b) (11) - Requires the operators procedure manual to have procedures for responding to a report of gas odor inside or near a building.**

There was no procedure to address this requirement for transmission pipelines. CNG procedure CP-925 specifically cites mains and services but does not mention transmission.

6. **192.605(a)**

- a. **192.609 - Requires the operator's procedure manual to have procedures for conducting class location studies.**

CNG has not previously operated a pipeline at the stress level of the KB line and does not have a class location study procedure in their manual.

- b. **192.611 - Requires the operator's procedure manual to have procedures for conducting a confirmation or revision of the MAOP.**

CNG has not previously operated a pipeline at the pressure or stress level of the KB line and does not have an MAOP revision or confirmation procedure in their manual.

7. **192.613(b) - Requires the operator's procedure manual to have procedures for reducing the MAOP if a segment of pipeline is in unsatisfactory condition.**

CNG did not have adequate procedures to address this requirement.

8. **192.605(a)**

- a. **192.619 - Requires the operator's procedure manual to have procedures for establishing the MAOP so that it is commensurate with class locations.**

CNG did not have adequate procedures to address this requirement for transmission.

- b. **192.619(a) - Requires the operator's procedure manual to have procedures for establishing the MAOP so that it is commensurate with class locations. MAOP can be determined by design and or test.**

CNG procedure CP-714 states all construction designed to class 4 criteria. The KB pipeline currently operates at an MAOP which would not be possible in a class 4 location. CNG must review and revise their class location study, confirmation and revision procedure to take into account the MAOP of the KB pipeline.

9. **192.627 - Requires the operator's procedure manual to have procedures for conducting hot taps by a qualified crew.**

CNG does not have personnel qualified to conduct large diameter hot taps on the KB pipeline. CNG's hot tap procedures do not specify what hot tap procedures will be followed on large diameter high stress pipelines. CNG procedure CP-630 needs to be amended to detail which hot tap procedures will be followed and to specify that certain size and pressure hot taps will be performed by outside contractors as indicated by CNG personnel during this inspection.

10. **192.605(b)**

- a. **192.717(b) (2) - Requires the operator's procedure manual to have procedures for repairing corrosion pits with a bolt on leak clamp.**

No procedure was found addressing this requirement or type of repair. CNG mentioned that they would possibly use a PLIDCO clamp for some repairs but no procedures for this type of installation were found.

- b. **192.717(b) (5) - Requires the operator's procedure manual to have procedures for applying reliable engineering methods when making repairs.**

There was no procedure addressing this requirement.

11. **192.739(a)(3) - Requires the operators procedure manual to have procedures for inspecting and testing pressure limiting stations, relief devices, pressure regulating devices and stations to ensure they are properly operating and the set-points are correct.**

A records review of the relief set-points for the pressure relief device found at the Williams gate station tap for KB pipeline indicated that the MAOP is 809 and the relief is set at 890. This is slightly over the 10% allowed and depending on relief type could realistically go well over the 10% allowed for build-up in an over pressure situation.

CNG's procedure manual does not have set-point information for the KB pipeline gate station.

12. **192.745(b) - Requires the operator's procedure manual to have procedures for performing prompt remedial action on emergency valves or designating alternate emergency valves.**

No procedure was found addressing this requirement.

13. **192.751(c) - Requires the operator's procedure manual to have procedures for posting warning signs to prevent accidental ignition.**

No procedure was found addressing this requirement.

14. **192.233 - Requires the operator's procedure manual to have procedures for making miter cut joints on pipelines.**

There was no procedure to address this requirement.

15. **192.245(a) - Requires the operator's procedure manual to have procedures for determining the acceptability of certain size cracks.**

There was no procedure to address this requirement.

16. a. **192.243(d) (1) - Requires the operators procedure manual to have procedures for non-destructive testing in class 1 locations.**

There were no procedures to address these requirements.

- b. **192.243(d) (2) - Requires the operator's procedure manual to have procedures for non-destructive testing in class 2 locations.**

No procedures were found addressing these requirements.

- c. **192.243(d) (3) - Requires the operator's procedure manual to have procedures for non-destructive testing in class 3 and 4 locations.**

No procedures were found addressing these requirements.

- d. **192.243(d) (4) - Requires the operator's procedure manual to have procedures for non-destructive testing at tie-ins.**

No procedures were found addressing these requirements.

17. a. **192.485(a) – Requires procedures for replacing pipe or reducing MAOP if general corrosion has reduced wall thickness.**

No procedures were found addressing these requirements.

- b. **192.485(b) – Requires procedures for replacing pipe or reducing MAOP if localized corrosion has reduced wall thickness.**

No procedures were found addressing these requirements.

c. 192.485(c) – Requires procedures for using RSTRENG or B-31G to determine remaining wall strength.

No procedures were found addressing these requirements.

Response to this Notice

If, after notice and opportunity for a hearing, your procedures are found to be inadequate, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237).

This letter serves as your notice of inadequate plans or procedures. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to the Notice of Amendment portion of this document and note the response options. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment.

If you are not contesting this Notice, we propose that you submit your amended procedures to my office within thirty (30) days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In your correspondence on this matter, please refer to **CPF 5-2006-1004M** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal  
Director, Western Region

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*

cc: Compliance Registry  
PHP-500 (T. Finch)  
WUTC (Alan Rathbun and Dave Lykken)